

..DID: 9266
..TXT: PSC NO: 1 GAS LEAF: 184
COMPANY: KEYSpan GAS EAST CORP. DBA BROOKLYN UNION OF L.I. REVISION: 0
INITIAL EFFECTIVE DATE: 07/01/99 SUPERSEDING REVISION:
STAMPS: Issued in compliance with order in Case No. 99-G-0229 dated 6/24/99
RECEIVED: 06/30/99 STATUS: Effective EFFECTIVE: 07/01/99

SERVICE CLASSIFICATION NO. 14

NON-CORE TRANSPORTATION SERVICE FOR ELECTRIC GENERATION

DEFINITIONS

Actual Monthly ICOG - The actual monthly incremental cost of gas including demand charges incurred by the Company. The Actual Monthly ICOG will be included on the Statement of Unbundled Transportation Service Cash Out Charges filed with the Commission by the fourth business day of the following month.

Base Year - The later of the first full year of the operation of the NYISO or the first full year of the Customer's operation.

Currently Monthly Electric Price - The per Mwh market price of electricity for the current month calculated as the weighted average of the Daily Market Electric Price and the Customer's output expressed in Mwh for each day of the month.

Current Monthly Market Gas Cost - The per dth cost of gas for the applicable month calculated as the weighted average of the Daily Market Gas Cost and the Customer's throughput in dth for each day of the month.

Customer's Heat Rate - To be determined through periodic testing of the Customer's facility, expressed as Mmbtu/Mwh.

Daily Commodity Cost of Gas - The Company's daily commodity cost per therm of gas delivered to the city gate from the Company's suppliers on such day. This cost will be determined by the Company and included on the Statement of Unbundled Transportation Service Cash Out Charges filed with the Commission by the fourth business day following the effective month.

Issued by Robert J. Fani, Senior Vice President, Hicksville, NY